

# 8 STATS YOU NEED TO KNOW TO BUILD YOUR VMS BUSINESS CASE



With many companies already operating a vendor management system (VMS) or looking to incorporate one in the near future, these statistics from Staffing Industry Analysts (SIA) offer insights into VMS implementation and its associated benefits:

**23%**  
OF THE WORKFORCE IS CONTINGENT



In 2023, companies reported that contingent workers comprised 23% of their workforce, the highest percentage since SIA began collecting this data in 2009.<sup>2</sup>



**The Insight**  
The use of contingent workers is growing across the board!

**5%+**  
COST SAVINGS



2023 data suggests that 48% of MSP-using organizations and 31% of VMS-using organizations experience cost savings of 5% or more by the second year of operation.<sup>2</sup>



**The Insight**  
A VMS can lead to significant cost savings.

**33%**  
OF VMS CLIENTS ARE INTERNALLY MANAGED



The remaining 33% chose to manage their VMS programs internally, and from this group, half of them opted for a direct contractual relationship.<sup>1</sup>

**67%**  
OF VMS CLIENTS USE MSPS



In 2022, 67% of surveyed VMS clients opted to receive their services through partnerships with third-party Managed Service Providers (MSPs).<sup>1</sup>

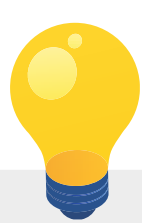


**The Insight**  
You'll need to decide whether to manage your program internally, through an MSP, or a [hybrid alternative](#) offered by VectorVMS

**64%**  
OF VMS CLIENTS CHOOSE "PERCENTAGE OF SPEND" PRICING



In 2020, the most prevalent VMS pricing model was based on a "percentage of spend," accounting for 64% of companies. Fixed or monthly subscriptions constituted 18%, while 5% of VMSs offer a combination of various fee types.<sup>3</sup>



**The Insight**  
You can select the best pricing model for your business. "Percentage of spend" is commonly chosen, where the cost is a percentage of the total spend captured in the VMS.

**92%**  
OF VMS SPEND IS SUPPLIER-FUNDED



In 2022, 92% of VMS platform spend in North America, and 73% of VMS spend globally, was supplier-funded.<sup>1</sup>



**The Insight**  
You can implement a VMS at little to no cost. Most organizations do.

**59%**  
OF VMS CLIENTS HAVE < \$10M SPEND



By 2022, approximately 59% of VMS clients were represented by programs with budgets of \$10 million or less.<sup>1</sup>



**The Insight**  
You don't need substantial budgets to reap the benefits of a VMS.

**83%**  
CONSIDERING DIVERSITY INITIATIVES



In 2022, the market's interest in diversity, equity, and inclusion (DE&I) was overhyped, with 83% indicating that they were either seriously exploring or already implementing VMS-derived diversity data initiatives.<sup>4</sup>



**The Insight**  
With Vector, you're supported with a VMS that manages and tracks your DE&I initiatives.



The VMS market has been moving toward improvements in capturing contingent worker diversity data, as this insight was previously limited to onboarded contingent workers only.<sup>4</sup> VectorVMS is among those providers that have successfully introduced [new features to track diversity from the sourcing stage](#)

1. Norton, M. (Dec 2022). 'VMS Global Landscape Summary 2022'. Staffing Industry Analysts. [Available online](#)  
 2. Starkey, C. (Apr 2023). 'Workforce Solutions Buyer Survey: 2023 Americas Results'. Staffing Industry Analysts. [Available online](#)  
 3. Chunn, C. (Aug 2023). 'VMS Global Landscape Supplier Survey 2023'. Staffing Industry Analysts. [Available online](#)  
 4. Schroeder, J. (Jun 2022). 'The Future of Diversity, Equity, and Inclusion in the Contingent Workforce: 2022 Update'. Staffing Industry Analysts. [Available online](#)

If you're searching for a dependable VMS, VectorVMS offers a comprehensive technological solution to maximize the benefits of your contingent workforce programs. [Contact us](#) today or [request a demo](#) to see our trusted, proven, and stable VMS in action!